Testimony by

Thomas S. Moore Project Manager for Naval Station Ingleside Redevelopment



Texas Senate Committee on Veteran Affairs and Military Installations

August 24, 2010 El Paso, Texas Mr. Chairman, Members of the Committee, my name is Thomas Moore. I am the Project Manager for Naval Station Ingleside Redevelopment for the Port of Corpus Christi. Thank you for providing the Port the opportunity to comment on the redevelopment efforts at Naval Station Ingleside.

As a result of BRAC 2005, the Corpus Christi region lost both a Helicopter Squadron at NAS Corpus Christi and also a major Naval Station at nearby Ingleside. At Naval Station Ingleside, there was a loss of almost 2,500 direct jobs on base as the Navy leaves behind a facility of almost 500 acres, which includes operational, training and living quarters all less than 20 years old. Fortunately, as part of the original Homeport agreement of 1987 between the Navy and the Port of Corpus Christi, this property reverted back to the Port when the Navy left.

I want to thank this committee and the Sub Committee on Base Realignment and Closure for passing Senate Bill 835 last session which is the legislation that allowed the Port to redevelop NSI by giving us economic development powers. The Port and the region of the Coastal Bend are most grateful to Senator Shapleigh and Hinojosa for their efforts with this crucial legislation. Senate Bill 835 also authorized the Port to contract with private developers to meet our redevelopment objectives.

Since BRAC 2005, the Navy has slowly evacuated and closed down the base. In some cases, buildings were actually just completing construction in 2005 when the BRAC decision hit. The positive version of that though is that the prospective buyers took note of the new and excellent condition of the base particularly in the most recent construction. Of particular interest is the pier and wharf area of NSI which includes an 1100 ft double-deck concrete pier and 18 acres of concrete wharf space, all

surrounding a deep water basin. By the end of 2009 all the ships that had been stationed there were gone to their new duty stations and the Navy moved to a caretaker status until the time of closing. The date for closing was 30 April 2010 and the Port moved in and took over with its own maintenance and caretaking on 1 May 2010.

In April 2009, the Port of Corpus Christi entered into an agreement with Texas A&M University System to be our Master Developers for the property. TAMUS first assessed the highest and best use of the base and then commenced a strategy to attract investment that would create a healthy new economic life for the region.

On 10 August 2010, just barely three months after the Port took over the property, the Port of Corpus Christi Commission voted unanimously to start negotiations to purchase the base with Corpus Development, L.P. led by Mr. Leon Heron. Mr. Heron's vision is to establish a multi-faceted, light industrial center comprising both research and development in the energy sector, particularly for the uplands main buildings on base, and then also a ship service and repair facility along the wharf. Corpus Development estimates a due diligence period of approximately four months after which they expect to have their first tenants and commence hiring. Corpus Development has projected 600 new jobs within the first year and eventually an additional 1000 jobs over the next three years. The Port of Corpus Christi very much looks forward to these developments and to the new economic life that should come to a premier physical plant such as Naval Station Ingleside. During the selection process of picking Corpus Development, L.P. it became clear that the new owner intended to create a tier of higher paying jobs to support the research and development component of the base, as well as the jobs along the wharf which would serve the oil and gas

industry already a staple in the Corpus Christi area. Both forms of employment were expected to be long term and well paying which has been the hope of many families in the Coastal Bend region which have long wanted to see stable and well paying jobs especially for their college graduate children. Thank you for this opportunity to speak today.